

COMMONWEALTH OF KENTUCKY
BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

PURCHASED GAS ADJUSTMENT)	CASE NO.
FILING OF MARTIN GAS, INC.)	2016-00301

ORDER

On September 30, 1991, in Case No. 1990-00402,¹ the Commission approved certain adjusted rates for Martin Gas, Inc. ("Martin"). In November 2004, Martin proposed and the Commission approved through the tariff filing system changes to its tariff that included, among other items, changes to its Gas Cost Adjustment ("GCA") clause which were effective January 1, 2005. Those changes updated the methodology of calculating the components of the Gas Cost Recovery ("GCR") rate.

On August 22, 2016, Martin filed its GCR rate application with rates to be effective October 1, 2016.

After reviewing the record in this case and being otherwise sufficiently advised, the Commission finds that:

1. Martin's notice includes revised rates designed to pass on to its customers its expected change in wholesale gas costs.
2. Martin's notice sets out an Expected Gas Cost ("EGC") of \$4.9581 per Mcf, which is an increase of \$.1050 per Mcf from its prior EGC of \$4.8531 per Mcf.

¹ Case No. 1990-00402, *In the Matter of Application of Martin Gas, Inc. for Authority to Adjust Rates and to Extend Current Surcharge* (Ky. PSC Sept. 30, 1991).

3. Martin's notice sets out no Refund Adjustment ("RA") for the current quarter and no total RA, which is no change from the prior total RA.

4. Martin's notice sets out a current quarter Actual Adjustment ("AA") of (\$.2888) per Mcf. Martin's total AA is (\$.4726) per Mcf, which is a decrease of \$.2362 per Mcf from its previous total AA of (\$.2364) per Mcf.

5. Martin's notice sets out no Balance Adjustment.

6. Due to a spreadsheet error, Martin erroneously set out a GCR rate of \$4.4854. Martin's corrected GCR rate is \$4.4855 per Mcf, which is a decrease of \$.1312 per Mcf from its previous GCR rate of \$4.6167 per Mcf.

7. The rates set forth in the Appendix to this Order are fair, just, and reasonable, and should be approved for service rendered by Martin on and after October 1, 2016.

IT IS THEREFORE ORDERED that:

1. The rates proposed by Martin are denied

2. The rates set forth in the Appendix to this Order are approved for service rendered by Martin on and after October 1, 2016.

3. Within 20 days of the date of this Order, Martin shall file with this Commission, using the Commission's electronic Tariff Filing System, revised tariff sheets setting out the rates approved herein and reflecting that they were approved pursuant to this Order.

By the Commission

ENTERED
SEP 22 2016
KENTUCKY PUBLIC
SERVICE COMMISSION

ATTEST:

Jason D. Grunwald
Executive Director *for*

Case No. 2016-00301

APPENDIX

APPENDIX TO AN ORDER OF THE KENTUCKY PUBLIC SERVICE
COMMISSION IN CASE NO. 2016-00301 DATED **SEP 22 2016**

The following rates and charges are prescribed for the customers in the area served by Martin Gas, Inc. All other rates and charges not specifically mentioned herein shall remain the same as those in effect under authority of the Commission prior to the effective date of this Order.

RETAIL RATES:

	<u>Base Rate</u>	<u>Gas Cost Recovery Rate</u>	<u>Total</u>
First Mcf	\$4.3976	\$4.4855	\$8.8831
Over 1 Mcf	\$4.2808	\$4.4855	\$8.7663
Minimum Bill	\$8.8831		

*Martin Gas, Inc.
P. O. Box 783
Hindman, KY 41822

*Kevin Jacobs
Martin Gas, Inc.
P. O. Box 783
Hindman, KY 41822